



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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August 18, 1997

Joseph Bistrski, District Ranger
Ashley National Forest
Roosevelt Ranger District
244 West Highway 40, Box 333-6
Roosevelt, Utah 84066

Re: Plan of Operation Reviewed as Notice of Intention to Commence Small Mining Operations,
Uintah Mountain Copper Company, Sunshine/Hematite Project, S/013/002, Duchesne County,
Utah

Dear Mr. Bistrski:

The Division has reviewed the Sunshine/Hematite Claims Project Plan of Operation (1996 Revisions) received from the U.S. Forest Service April 12, 1996, and a second volume by the same title received from the operator on January 27, 1997. This information was submitted by the Uintah Mountain Copper Company for their project located in Section 15, T2N, R6W, Uintah Base Meridian, Duchesne County, Utah. The second volume includes a new section under Appendix C titled "Addendum #1 to 1996 Revisions to Plan of Operations." **Your agency's file code for this project is 2810.** Please accept our apology for the lengthy delay in processing this submission.

We have completed a review of this Plan of Operations according to the Minerals Rules from the Utah Mined Land Reclamation Act. The Sunshine/Hematite Claims Project would be classified as a "Small Mine Operation" under the Minerals Rules. The reasons for categorizing this project as a small mining operations are : (1) the current total proposed surface disturbance is less than one acre, (2) the project life is 3 years and (3) the project is described as exploration *and development* (emphasis added). The information provided in the Plan Of Operations meets the requirements of Rule R647-3 (Small Mine Operations) of the 1988 Division of Oil, Gas and Mining Minerals Rules, and Title 40-8, et seq., of the Utah Mined Land Reclamation Act of 1975. No additional information is required by the Division at this time.

Under the current Memorandum Of Understanding between our agencies, we understand that for this project the Division will notify your office of any permitting concerns, and in turn, your office, acting as 'Lead Agency' would notify the operator accordingly. Given our delay in processing this submission we have sent a copy of this letter to Uintah Mountain Copper Company.

Attached is a copy of our Summary of Operation and Reclamation Practices taken from our form "Notice of Intention to Commence Small Mining Operations." By accepting this submission as a

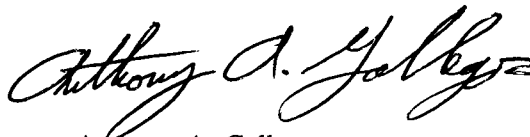
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complete Notice the Division expects the operator to comply with the practices listed on this summary. If the operator cannot comply with these practices, then a request for a variance from the particular reclamation practice must be provided to the Division for approval. This request would reference the reclamation practice and provide an explanation describing why compliance with this practice is unreasonable. A variance request is not required for the practices which refer to features which are nonexistent at the project site.

The Minerals Rules have three categories of mining activities: Large Mine Operations, Small Mine Operations, and Exploration Operations. The three categories are based on the amount of surface disturbance. Large Mine Operations are operations which create more than five acres of surface disturbance. Small Mine Operations are operations which create surface disturbance of five acres or less. Exploration Operations are short term exploratory activities. The information requirements for permitting a large mining operation with the Division are more detailed than for a small mine or exploration project, and include a 30-day public notice and reclamation bonding. The Division's time frame for review and approval of a Large Mining Operation is often six months or longer depending on the characteristics and impacts of the proposed operation.

Please provide us with a copy of your final completeness/approval letter to the operator. Also, please provide us copies of additional correspondence regarding this project so we may keep our files current. Please reference our designated file number S/013/002 when forwarding additional information on this project to us. Thank you for your cooperation.

Sincerely,



Anthony A. Gallegos
Senior Reclamation Specialist

jb
Attachment: SMO-NOI Summary
cc: Mike Kandarisi, Uintah Mountain Copper Company w/attachment
Roger L. Bon, UGS
Tracking File
S013002.noi